

American Recovery and Reinvestment Act (ARRA)
Ten Steps to Compliance for Tennessee Counties



Whether you are in the process of applying for or have already applied for an ARRA grant, the following checklist should help ensure compliance with the legal, mandatory policy, and audit requirements in Tennessee. Print this checklist and place a check mark by each procedure as it is completed.

The following websites are of importance with regard to ARRA compliance:

- A. <http://www.recovery.gov/>- Federal ARRA Information Website
- B. <https://www.federalreporting.gov> – Website where all ARRA grant revenues and expenditures are reported by grant recipients.
- C. <http://www.tnrecovery.gov/> - ARRA General Information website for the State of Tennessee.
- D. <http://www.tn.gov/comptroller/> -Tennessee Comptroller's General Information and ARRA Website.

ARRA Compliance Checklist:

- 1. ☐ Read the grant requirements or grant agreement closely. In Tennessee, the grant agreement will require compliance with ARRA and the Office of Tennessee Recovery Act Management (TRAM) Directives. Determine the Catalog of Federal Domestic Assistance (CFDA) number and the exact title of the ARRA grant.
- 2. ☐ Read the TRAM Directives. (Navigate to Website D above. Follow the ARRA link to County Audit ARRA and the TRAM Directives.)
- 3. ☐ Your county should already have a Data Universal Numbering System (DUNS) number. Obtain the County's DUNS Number. This number will be important during the reporting process. The county can apply for a DUNS number at http://www.dnb.com/US/duns_update/.
- 4. ☐ Designate a senior accountable official for Recovery Act activities. (TRAM Directive No. 1.) This person should be someone in a position of responsibility such as the County Mayor, Finance Director, or Director of Schools. Grants should not be applied for without the knowledge and supervision of this person.
- 5. ☐ Determine how ARRA funds (revenues and expenditures) will be accounted for separately in the County's accounting records (TRAM Directive No. 2.). The Uniform Chart of Accounts has been revised to facilitate separate accounting and reporting. (Navigate to Website D above. Follow the ARRA link to County Audit ARRA and the Revisions to the County Uniform Chart of Accounts.)

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6. ☐ Implement required internal controls (TRAM Directives 5 & 6) by following the Division of County Audit's internal control implementation guidance. (Navigate to Website D above. Follow the ARRA link to County Audit ARRA and the Internal Control Procedures.) CTAS has examples of written internal control procedures. Contact your CTAS field representative for more information.
7. ☐ Perform a Risk Assessment for each ARRA grant. Follow the Division of County Audit's guidance. (Navigate to Website D above. Follow the ARRA link to County Audit ARRA and the Risk Assessment Procedures.) CTAS also has suggested risk assessment procedures. Contact your CTAS field representative for more information.
8. ☐ Prepare an action plan (TRAM Directive No. 9). An action plan template that complies with all TRAM requirements can be found on the County Audit website. The template has been prepared as a Word Document. Simply download the template, answer the questions, and this step is complete. (Navigate to Website D above. Follow the ARRA link to County Audit ARRA and the Action Plan.)
9. ☐ Develop a method to track the number of jobs created or retained as a direct result of receiving and expending an ARRA grant. The number should be calculated on a full-time equivalent basis. The calculation will be required when jobs were created or retained as a direct result of receiving and expending an ARRA grant in the following three instances: (1) The county created or retained the jobs within the government; (2) The county made single payments of \$25,000 or more to a construction contractor who created or retained jobs; or (3) The county passed a grant on to a subrecipient who created or retained jobs. The calculation will not be required if the county only purchased equipment or supplies from vendors (i.e. indirect jobs) with the ARRA grant. In addition, if the grant is being used for a public building project, the provisions of the Buy American Act apply. Contact the State or Federal Grantor Agency for more information about the Buy American provisions of ARRA.

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10. ☐ Section 1512 of ARRA requires reports to be filed with the Federal Government. A report must be filed for each ARRA grant. State agencies that provide pass-through grants to county governments will provide reporting guidance. However, if you receive a grant directly from the federal government, you need to proceed immediately to Federalreporting.gov website (Website B above) to register as a reporting government. This registration process may take several days. After the registration process is complete, familiarize yourself with the required reporting data by logging onto the Federalreporting.gov website. Begin to gather the required information. Reporting will not be an easy process. Before the report is submitted to the federal government, ensure that the report agrees with the county's accounting records. The first report is due for the quarter ended September 30, 2009 and the reporting deadline is October 10, 2009. The county will need to report cumulative revenue and expenditure data by the 10th day of the month following the end of each calendar quarter for the duration of the grant.
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Disclaimer:

Compliance with ARRA is the responsibility of each county's management. This checklist was intended to provide general implementation guidance for county governments in the State of Tennessee. The checklist procedures are indicative of the types of information that will be examined by the Division of County Audit during its annual audits. The checklist should not be considered an all inclusive list nor should it be used as a substitute for reading OMB guidance that is more detailed. The checklist was not designed to guarantee compliance with ARRA or with requirements of other external monitoring or audit organizations (e.g. Offices of Inspector General).
